

**CITY OF BETHLEHEM**

**City Council Memorandum**

**SUBJECT:** Proposed corrective amendment of Article 349, titled  
Economic Development Incentive Reporting and Evaluation

**TO:** Members of Council

**FROM:** Shawn M. Martell, Member of Council

**DATE:** August 1, 2019

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Attached is a proposed corrective ordinance amending Article 349, titled Economic Development Incentive Reporting and Evaluation. The intent of this amendment is to eliminate obsolete date-related language and clarify report submission deadlines. The proposed amendment does not make any substantive changes to the existing law and would simply codify existing Administration practices related to the applicable deadlines.

Thank you.



Shawn M. Martell  
Member of Council

Attachment

cc: J. Spirk, Jr., Esq.  
Mayor Donchez  
A. Karner  
W. Leeson, Esq.

ORDINANCE NO. 2019-\_\_

AN ORDINANCE OF THE CITY OF BETHLEHEM, COUNTIES OF LEHIGH AND  
NORTHAMPTON, COMMONWEALTH OF PENNSYLVANIA, AMENDING ARTICLE  
349, TITLED ECONOMIC DEVELOPMENT INCENTIVE REPORTING AND  
EVALUATION

THE COUNCIL OF THE CITY OF BETHLEHEM HEREBY ORDAINS:

SECTION 1.

Section 349.04 A, that reads as follows:

*A. Scheduling; Hearing Purpose.* By October 31, 2018, and by October 31 annually thereafter, the Committee shall conduct an annual public hearing (“Annual FAIR Hearing”) to evaluate the effectiveness of Economic Development Incentives with a material fiscal, economic, or other impact on the City. Annual FAIR Hearings shall assess whether existing Economic Development Incentives should be modified, continued, amended, or repealed, subject to any authorizing legislation. The Committee may hold additional FAIR-related hearings as it may deem necessary from time to time.

Shall be amended to read as follows:

*A. Scheduling; Hearing Purpose.* ~~By October 31<sup>st</sup>, 2018, and by October 31 annually thereafter,~~ No later than October 31<sup>st</sup> each year, the Committee shall conduct an annual public hearing (“Annual FAIR Hearing”) to evaluate the effectiveness of Economic Development Incentives with a material fiscal, economic, or other impact on the City. Annual FAIR Hearings shall assess whether existing Economic Development Incentives should be modified, continued, amended, or repealed, subject to any authorizing legislation. The Committee may hold additional FAIR-related hearings as it may deem necessary from time to time.

SECTION 2.

Section 349.05 B.1(a), that reads as follows:

(a) *Submission Schedule.* Commencing on March 31, 2018, and annually thereafter by March 31, the Administration shall submit the following standardized inventories to the Committee: (i) an inventory of Economic Development Tax Incentives, in effect on January 1 of the current year (“Inventory of Economic Development Tax Incentives”); (ii) an inventory of Non-Tax Incentives in effect on January 1 of the current year (“Inventory of

Non-Tax Incentives”); and (iii) any other inventories that may be requested by the Committee, from time to time, upon reasonable prior notice (“Other Administration Inventories”). Together, such inventories shall be referred to as “Incentive Inventories.” The Committee may modify the submission schedule for any Incentive Inventory upon reasonable prior notice to the Administration.

Shall be amended to read as follows:

(a) *Submission Schedule.* ~~Commencing on March 31, 2018, and annually thereafter by March 31, No later than March 1<sup>st</sup> each year,~~ the Administration shall submit the following standardized inventories to the Committee: (i) an inventory of Economic Development Tax Incentives, in effect on January 1 of the current year (“Inventory of Economic Development Tax Incentives”); (ii) an inventory of Non-Tax Incentives in effect on January 1 of the current year (“Inventory of Non-Tax Incentives”); and (iii) any other inventories that may be requested by the Committee, from time to time, upon reasonable prior notice (“Other Administration Inventories”). Together, such inventories shall be referred to as “Incentive Inventories.” The Committee may modify the submission schedule for any Incentive Inventory upon reasonable prior notice to the Administration.

### SECTION 3.

Section 349.05 B.2(a), that reads as follows:

(a) *Submission Schedule.* Commencing May 1, 2018, and annually thereafter by March 1, the Administration, shall submit a separate tax expenditure report to the Committee for each Economic Development Tax Incentive listed in the current-year Inventory of Economic Development Tax Incentives (each a “Tax Expenditure Report”). Each such report shall contain the Tax Expenditure Report Content (defined below). The Committee may modify the submission schedule for any Tax Expenditure Report and add or delete tax incentives subject to reporting from time to time upon reasonable prior notice to the Administration.

Shall be amended to read as follows:

(a) *Submission Schedule.* ~~Commencing May 1, 2018, and annually thereafter by March 1, No later than March 31<sup>st</sup> each year,~~ the Administration, shall submit a separate tax expenditure report to the Committee for each Economic Development Tax Incentive listed in the current-year Inventory of Economic Development Tax Incentives (each a “Tax Expenditure Report”). Each such report shall contain the Tax Expenditure Report Content (defined below). The Committee may modify the submission schedule for any Tax Expenditure Report and add or delete tax incentives subject to reporting from time to time upon reasonable prior notice to the Administration.

#### SECTION 4.

Section 349.05 B.3(a), that reads as follows:

(a) *Submission Schedule.* Commencing May 1, 2018 and annually thereafter by March 1, the Administration, shall submit to the Committee a separate incentive evaluation report for each Economic Development Incentive listed in the current year Incentive Inventories (each report being an "Evaluation Report") unless the Committee exempts any such incentive from the reporting requirements in this subsection. The Committee may modify the submission schedule for any Evaluation Report from time to time upon reasonable prior notice to the Administration.

Shall be amended to read as follows:

(a) *Submission Schedule.* ~~Commencing May 1, 2018 and annually thereafter by March 1,~~ No later than March 31<sup>st</sup> each year, the Administration, shall submit to the Committee a separate incentive evaluation report for each Economic Development Incentive listed in the current year Incentive Inventories (each report being an "Evaluation Report") unless the Committee exempts any such incentive from the reporting requirements in this subsection. The Committee may modify the submission schedule for any Evaluation Report from time to time upon reasonable prior notice to the Administration.

#### SECTION 5.

Section 349.05 B.4(b), that reads as follows:

(b) *Submission schedule.* Commencing March 31, 2018, and annually thereafter by March 31, the Administration, shall submit to the Committee the Program Summary for each Economic Development Incentive listed in the current year Incentive Inventories unless the Committee exempts any such incentive from this submission requirement.

Shall be amended to read as follows:

(b) *Submission schedule.* ~~Commencing March 31, 2018, and annually thereafter by March 31,~~ No later than March 31<sup>st</sup> each year, the Administration, shall submit to the Committee the Program Summary for each Economic Development Incentive listed in the current year Incentive Inventories unless the Committee exempts any such incentive from this submission requirement.

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SECTION 6. All Ordinances and parts of Ordinances inconsistent herewith be, and the same are hereby repealed.

Sponsored by: \_\_\_\_\_  
\_\_\_\_\_

PASSED finally in Council on this            day of            ,2019.

\_\_\_\_\_  
President of Council

ATTEST:

\_\_\_\_\_  
City Clerk

This Ordinance approved this this            day of            , 2019.

\_\_\_\_\_  
Mayor